

Good afternoon.

Thank you for the invitation to join you here today. Being an elected official, it is especially interesting to be here during your annual election. Being in Congress is a bit like being in business. Starting out, you see opportunities and seize them. But to stay in business you have to make your own opportunities. You have to plow your energies back into the business. You have to take the risk to invest in ideas you think will pay off over time. I had some early successes in Congress, taking advantage of opportunities I found to help the Northern Marianas.

But five years into my time as your Congressman, I can tell you that I am also seeing the pay-off from opportunities I made. In fact, the very first bill I introduced, a few weeks after being sworn in, just became law. President Obama signed U.S. Public Law 113-34, conveying the submerged lands around the Northern Mariana Islands to the Commonwealth government, on September 18.

The Commonwealth can now use those lands for economic development, just like states use their three miles off-shore.

Louisiana leases some of its submerged lands for oyster farming, for instance. The Commonwealth of Virginia leases lands for mineral extraction. California does, too. I don't know exactly how our Commonwealth will use our off-shore lands. But now we can.

Of course, now we also have the responsibilities that come with ownership. The lagoon and reef system just a few steps away from us are worth millions of dollars to our economy every year. 400,000 tourists – and, thank god, growing again – come here to play in that lagoon. Now it's up to the Commonwealth to keep that ecosystem alive and healthy. My hope is that ownership of submerged lands will also encourage the Commonwealth and the federal government to finally develop a co-management plan for the Marianas Trench Marine National Monument – five years after the Monument was created. And part of that plan has to be agreement on how we develop a visitor's center. Because, aside from James Cameron and a few scientists from NOAA, most people will never have a chance to see what the Monument holds. So, we have to bring those sights to our visitors. We have to bring those undersea volcanoes and the life forms that thrive at 400 degrees Fahrenheit on to the shore. We have to find ways to take our visitors – virtually – deep below the water. We want them to be so awed by the immensity and complexity and uniqueness of the undersea world that surrounds us here, that they go home and tell their friends: "You have to visit the Northern Mariana Islands." That's my vision of what a visitors center can help us do. So, I am pleased to get that submerged lands law enacted. And I can see the pay-offs, playing out for many years ahead.

Another investment I made in my earliest days in Congress has helped keep our Commonwealth Health Center open. I'm talking about the extra money for Medicaid that I got for us in the Affordable Care Act.

Just as an aside, because I know people are confused: most of Obamacare does not apply in the Marianas. You employers don't have to buy health insurance for workers. Individuals are not required to buy insurance. There are no tax penalties. Given the mess the health care rollout has been, looking back, I am glad we are not involved. But, looking forward, five or ten years, I think we may want to get on board. Because making sure everyone in the Commonwealth can see a doctor when they need to, getting the federal government to help everyone pay for health insurance –those are worthwhile goals. In the meantime, we are dodging the early problems, but we are getting benefits. Our hospital got over \$27 million in new Medicaid money from the Affordable Care Act, so far. And there's another \$81 million in the bank this year alone, ready to draw down, whenever we need it. The hospital just barely escaped losing certification. Esther Muna and her people are working hard every day to keep it open. I would never want to take credit

away from them. But you better believe that extra money I got for us in Obamacare has helped them keep the hospital alive.

Another investment I made early on was working to improve food stamp benefits. I got us the same 13 percent increase that the rest of the country received in the Recovery Act by using my “knee-pads” with the Secretary of Agriculture.

But that’s not good enough. People here still only get half the benefit that people in Guam get. Because Guam is in the national program – SNAP. So, I made the decision three years ago to switch over to the House Agriculture Committee.

Why would I do that? I don’t represent Kansas. There are no wheat farms on Saipan. Well, three-quarters of the money in the farm policy bill – that Congress passes every five years – goes to SNAP. So, if I wanted to get us into SNAP, I had to be there when the Agriculture Committee, put together that once-every-five-years farm bill. It was a long and politically torturous path. But last Wednesday the House and Senate conference committee finally met to begin reconciling their versions of the farm bill. And the House version – thanks to the relationship I built with the Republican Chairman – contains a \$33 million pilot program that over a five year period should bring the Northern Marianas into SNAP. I can hear the groans from the conservatives in the crowd: food stamps, just what we need, more of the liberal welfare state.

Look, I make no apologies for making sure that the people I represent get the same benefits from their federal government as Americans everywhere else in our country. No apologies. That’s my job. But don’t forget: that \$33 million doesn’t just buy meals for hungry people. It gets circulated through this economy, through the grocery stores, and the trucking companies, and the seaport, and local farmers. It’s good for business. It creates jobs. And it generates tax revenues. And once we are in SNAP, according to the Congressional Budget Office, we could see as much as \$20 million in our economy year after year because of SNAP.

So, I make no apologies about the time and energy I invested in SNAP. Because I know that playing the long game pays off: just like it did with submerged lands and the hospital’s Medicaid money.

Now, what about some of the specific requests for action that have come to me from the business community, from the Chamber. I know you’re concerned about extension of the immigration transition period. If we zero-out the number of CW workers at the end of 2014, there won’t be enough able bodies in the Commonwealth for all the jobs that currently exist, much less the growth we are hoping for. Now by law, the Secretary of Labor does not have to make a decision on extension until next July. But if he waits until the last minute – and, especially, if he decides not to extend the transition period – your businesses and the people who work for you are going to have no time to adjust.

So, I’ve been working with the Department of Labor, since last year, to get the Secretary to decide this year. It’s a long, drawn-out process. The bureaucrats have to build an administrative record to justify any decision. You all saw the questions that Labor sent Governor Inos in August: what are your prospects for economic growth?; what are your labor needs going forward?; what are you doing to train your local workforce?

When staff put a recommendation before the Secretary of Labor, it has be based on facts, economic analysis, and politically bullet-proof. The economists at Labor have told me that their recommendation will get to the Secretary in the next few weeks, this was a few weeks back. And the new Secretary of Labor, Tom Perez, is

making a name for himself, as a speedy decision-maker. So, I feel confident we will get a decision before the end of the year.

It would be foolish for me to predict what the decision will be. I can tell you that they are concerned about the high unemployment among local people here. They are concerned not enough is being done to train our people and bring them into the work force. I agree we need to do more. That's why my Territorial Omnibus Act – that's already had a hearing in the U.S. Senate – requires performance goals for the \$150 training fee that you all pay for every CW worker you have. I want to make sure your money is well spent and results in putting local people to work. On the other hand, the recent USCIS decision to put the CW cap at 14,000 for 2014 is a strong signal that the transition period will be extended. USCIS and Labor consult. And, if Labor was planning to zero-out CWs at the end of 2014, I think USCIS would have cut the cap in half. I have certainly made the argument in Washington that our economy will need CW workers beyond 2014. But, as I said, it would be foolish to predict what the Secretary of Labor will decide.

A second project I worked on this year at the request of business and the Chamber was a rescheduling of the minimum wage increase. You asked for it. I got it. As an amendment to the submerged lands law. And did I mention that the President had only signed 34 bills into law. Whereas at the same time in his first term, he had already signed 181 laws. So I got your minimum wage request through even in the middle of all this Washington gridlock and a “do-nothing” Congress.

I don't take any pleasure in that accomplishment. Because I want people to earn more money. I'm working to increase food stamp benefits, because we have 10,000 hungry people. But I would much rather have those people earning a decent wage, so they don't need food stamps.

Nevertheless, the business community told me you needed relief. It's true: minimum wage had gone up 82% in just 5 years. That's very fast – and hard for business to absorb. And when I started working on this legislation a year ago – because that's how long it takes in Congress to lay the ground work and get everyone in agreement – our economy did not look as good as it does today.

The only GDP reports we had showed negative growth every year since 2005 – with one exception attributable to ARRA money. Even the workers I talked to said: we would rather not get a wage increase, if it means risking our job. So, I held my nose and got the minimum wage rescheduled. But in the meantime what has happened? Our economy is picking up. The hotels are packed. New airlines are bringing tourists in. We have a new Governor, who is spending federal CIP money, instead of playing political games. And when the Bureau of Economic Analysis issues new GDP data on December 2nd – well, again, I would be foolish to predict. The point is: circumstances have changed from a year ago, when I started working to slow down minimum wage.

So, now I'm going to ask you to do something. The federal minimum wage, after all, is just that: the minimum wage that some employers have to pay. But there is nothing in the law that says you cannot pay more than the minimum. If our economy is getting better, if you have more customers, if your bottom line is improving, pay your workers more. Don't wait for the federal government to force you. Pay your workers more. Because when your workers have more money in their pockets, we all do better. Those workers will spend what they earn – in your stores, at your businesses. They will buy clothes for their kids, maybe get some new furniture. And we will all be better off.

And just so the business community doesn't feel that I am picking on them, let me shine a light on some of our local legislators, too. You know, I get a lot of criticism from people who think I don't do enough for the

people I represent. I guess winning back our submerged lands after the federal government take-over isn't enough. It's not enough that the money I got for us in Obamacare helped keep the hospital open and paid for the new Kagman Community Health Center. Getting extra food stamp money so the families I represent have a little more to eat – and, maybe, soon, getting them into SNAP, so they have equal treatment with other Americans – that's not enough. Working to make sure that the Northern Marianas continues to get the over \$200 million in annual federal expenditure, that's not enough.

Well, to those people -- and I won't mention any names -- if you want to show how much you care, then raise the minimum wage. We have a local minimum wage law. It's still stuck at \$3 something an hour. And many people in the Commonwealth work for small businesses or in occupations that are not even covered by the federal minimum.

So, if you really care so much, raise the local minimum wage. It can take years to get changes like that through Congress. But here bills get signed into law within days. If you really care. If you really have solutions.

But, you see, that's the problem: there are people out there who aren't interested in solutions. They are all about politics, the politics of pitting one group of people against another. It's not just here. It's why we have gridlock in Washington. But part of the reason I have been successful in Washington is that I have tried to stay away from the push and pull of politics. I try to stay focused on my job, working to help the people of the Northern Marianas.

I've been able to work with the Republican Chairman of the Agriculture Committee to improve our prospects for food stamps. I've been able to work with Republicans in the Senate, until they stopped blocking the submerged lands bill. I've been able to get die-hard Democrats like George Miller to agree to slow down minimum wage increases here. Even though Mr. Miller is trying to raise minimum wage nationally. I've been able to work with the Majority Leader to agree to give our bill floor time at a time when there was great competition for floor time.

This is one of the most partisan Congresses in history, but I am getting things done in Washington for our islands. So when people here try to drag me into a fight, picking sides, playing politics, I'm going to say no. I am going to keep working for the good of everyone in the Northern Mariana Islands. And I think the record shows I am doing a good job. And I think that the results of the past two elections shows that people are happy with the work I do for all of us here in the Northern Marianas.

Thank you for the opportunity to speak to you. And God bless the Northern Mariana Islands.